

63J-6-203 Redemption account -- Creation -- Sources -- Use -- Investment -- Income.

- (1) There is created a restricted account within the General Fund known as the "Tax and Revenue Anticipation Note Redemption Account." When any notes have been issued in anticipation of income or revenue under this chapter, not less than two days before the principal and interest on the notes comes due, income or revenue realized from the tax or nontax sources specified in the approved plan of financing to be anticipated or from any other source of money legally available for such purpose shall be placed in the restricted account so that the amount in the restricted account is sufficient to pay the principal amount of all notes outstanding, together with interest on them.
- (2) The money in the restricted account is appropriated solely for the payment of the principal of and interest on the notes issued under this chapter. The payment of the principal and interest on the notes issued under this chapter is not limited solely to the income and revenues from the specific tax or nontax sources in anticipation of which the notes were issued. Accrued interest received upon the sale of the notes shall be deposited by the state treasurer in the restricted account.
- (3) The state treasurer may invest all money in the restricted account in accordance with Title 51, Chapter 7, State Money Management Act, maturing at a time which will permit payment of the principal of and interest on the notes in a timely manner when due. The state treasurer may covenant with the purchasers of the notes as to the manner of holding money in the restricted account, the investment of money in the restricted account, and the disposition of any investment income therefrom by retaining investment income in the restricted account to be used to pay principal of and interest on notes when due or by paying the investment income to the state treasurer for deposit into the General Fund. If there is sufficient money in the restricted account to pay all principal of and interest on all outstanding notes payable therefrom, all investment income on it shall be paid to the state treasurer for deposit into the General Fund.

Amended by Chapter 278, 2010 General Session